

Monthly Progress Report #4

October 2004

Falcon Refinery Superfund Site
Ingleside
San Patricio County, Texas
TXD 086 278 058

Prepared for

National Oil and Recovery Corporation
3717 Bowne Street
Flushing, NY 11354

November 10, 2004

Prepared by

BNC Engineering, LLC.
607 River Bend Drive
Georgetown, Texas 78628

TABLE OF CONTENTS

1.0	INTRODUCTION.....	2
2.0	COMPLETED ACTIVITIES	2
2.1	Removal Action Activities	2
2.2	Remedial Investigation / Feasibility Study (RI/FS)	3
3.0	CHANGES MADE IN THE PLANS DURING THE REPORTING PERIOD	4
4.0	COMMUNITY RELATIONS.....	4
5.0	CHANGES IN PERSONNEL DURING THE REPORTING PERIOD	4
6.0	LIST OF PROJECTED WORK FOR THE NEXT TWO MONTHS	4
6.1	Removal Action Work Projected for the Next Two Months.....	4
6.2	RI/FS Work Projected for the Next Two Months.....	5
7.0	LABORATORY / MONITORING DATA	5

LIST OF FIGURES

None this reporting period

LIST OF TABLES

None this reporting period

LIST OF APPENDICES

Appendix A Hazardous Waste Manifests

Appendix B Asbestos Survey Report

Appendix C Soil Analytical Results

1.0 INTRODUCTION

This fourth Monthly Progress Report is submitted in accordance with the Falcon Refinery Site Administrative Orders on Consent for Removal Action and Remedial Investigation / Feasibility Study between the U.S. Environmental Protection Agency (U.S. EPA) and National Oil Recovery Corporation (NORCO).

This Monthly Progress Report and subsequent reports will address activities associated with both of the orders.

The next monthly progress report covering November, 2004 will be submitted on or before December 10, 2004.

2.0 COMPLETED ACTIVITIES

2.1 Removal Action Activities

Since activities are now being performed on a daily basis each day begins with a safety meeting about general hazards and specific concerns of each days anticipated actions.

Electricity has been obtained and the on-site office is fully functional.

Waste codes have been obtained and liquid disposal documentation and approvals have been obtained from the TCEQ and EPA.

Contracting with Texas Molecular was completed and the liquid in the tanks at the site will be disposed of in the Texas Molecular deep well injection well. All aspects of the liquid disposal have been approved by the EPA and TCEQ.

Hoses and valves were purchased to accommodate efficiently loading the tanker trucks that will be transporting the waste to the deep well injection well.

Approximately 55,000 gallons of liquid waste were removed during the month from Tanks 26 and 27. A copy of one of the waste manifests is included in Appendix A. Due to the number of shipments (an average of nine each day) the remainder of the manifests will not be included in these reports. The originals are available at the BNC office in Georgetown.

Soon after contracting to remove liquid waste, the injection well was placed out of service for routine maintenance, which stopped shipments for the remainder of the month. The injection well should be in full operation in November.

Several loads of road base were delivered to the site to allow tankers to load efficiently and during rainy periods. Graders and backhoes were used during the on-site road construction activities.

During clearing and grubbing activities, buried drums were found adjacent to Tank 13. The drums, which had apparently been emptied and crushed prior to burial, were removed with the assistance of a backhoe and loaded into a 25 yds³ roll-off box that was delivered to the site for metal waste and the disposal of work clothing.

An underground used oil sump was also discovered during grubbing operations. The sump was adjacent to a former compressor and was apparently used to store the used oil.

During the month there were periods of substantial rain that flooded the firewalls of Tanks 26 and 27. Due to previously spilled oil in the firewalls a layer of crude was detected on top of the water that was flooding the areas around the tanks. Two frac tanks and pumps were used to remove the oil and water from the areas. After the oil and water separate the oil will be recycled and the water will be disposed of by Texas Molecular. Measurement of the contents of the frac tank revealed that there were 30,000 gallons of oil and 5,000 gallons of water.

Contacts have been made with a recycling company to remove any recoverable fuel in the tanks at the site. The contractor is in the process of meeting all CERCLA requirements to remove the fuel. No shipments will be made without EPA and TCEQ approval.

The Removal Action requires the treatment or disposal of grossly contaminated soil. An assessment was made of the areas with visibly impacted soil and the volume of material was estimated at approximately 6,000 yds³. NORCO is proposing to remediate the soil on-site in a treatment landfarm. To initiate the process soil samples were obtained of the impacted soil. The results are discussed in Section 7 of this report.

Subcontractors that are bidding to perform demolition and recycling activities have been to the site. When a subcontractor is selected the EPA will be notified and the site safety plan may be augmented.

The Asbestos Survey Report is included as Appendix B. Prior to any demolition activities an asbestos management plan will be developed.

2.2 Remedial Investigation / Feasibility Study (RI/FS)

The EPA is reviewing the draft 1) RI/FS Work Plan, 2) RI/FS Field Sampling Plan, 3) RI/FS Quality Assurance/Quality Control Project Plan (QA/QCPP), 4) Safety and Health Plan and the 5) Quality Management Plans, which were provided to the EPA, TCEQ and applicable state and federal trustees on September 7, 2004.

3.0 CHANGES MADE IN THE PLANS DURING THE REPORTING PERIOD

Oil and rainwater that accumulated around Tanks 26 and 27 was pumped out into two frac tanks that were delivered to the site. This was an unexpected activity that was not addressed in the Removal Action Work Plan.

4.0 COMMUNITY RELATIONS

The project web site www.falcon-refinery.com is operational and available for review by the public. Included at the web site are links to all approved project documents, PowerPoint presentations, contact information, site photographs, monthly progress reports and notifications of future meetings when they are announced.

5.0 CHANGES IN PERSONNEL DURING THE REPORTING PERIOD

In addition to Bill Hoskins, BNC has hired and safety trained three employees to perform routine maintenance at the site. All new employees are aware of and comply with the site safety plan.

6.0 LIST OF PROJECTED WORK FOR THE NEXT TWO MONTHS

6.1 Removal Action Work projected for the next two months includes:

- Continuing the removal and disposal of liquids from the storage tanks and pipelines;
- Characterization, and disposal of drums;
- Selecting the specialized demolition contractor(s);
- Initiating permitting of a bioremediation cell to treat impacted soil; pending EPA and TCEQ approval;
- Removal of debris;
- Continued site maintenance;
- Demolition of some storage tanks; and
- Recycling of crude oil in the storage tanks.

6.2 RI/FS Work projected for the next two months includes:

- Making amendments to the RI/FS Work Plan, pending comments from the EPA and submitting the final RI/FS Work Plan.

- Implementing the RI/FS Work Plan.

7.0 COPIES OF LABORATORY / MONITORING DATA

On September 29, 2004 soil samples were obtained around Tanks 27, 26 and 7 for the determination of grossly contaminated soil as required by the Removal Action Work Plan (RAW). At each tank two soil samples were obtained and analyzed for volatiles, semi-volatiles, metals and total petroleum hydrocarbons (TPH). Results of the sampling, which are provided in Appendix C, indicated that no volatile organics were detected, metals were in the expected range of soil in the area, the only semivolatile compound was phenanthrene with a maximum value of 72 mg/kg and there were elevated results for TPH. It should be noted that the reporting limits identified in the analytical reports (Appendix C - Soil Analytical Results) may or may not be applicable to the planned Remedial Investigation and Feasibility Study.

Sampled soil was visibly impacted by hydrocarbons and the elevated TPH concentrations were expected. The results which were non-detect in the c6-c12 range were typical of spilled crude oil. The maximum values for various carbon ranges were c12-c28 (49,300 mg/kg) and >c28-c35 (30,400 mg/kg).

As discussed in the RAW, NORCO anticipates excavating this soil and treating the material on site in a plastic lined treatment cell. Prior to excavating the soil or construction of the treatment cell, NORCO will obtain approval by the EPA and TCEQ.

Appendix A

Waste Manifest

Appendix B

Asbestos Survey Report

Appendix C

Soil Analytical Results